

ARIZONA STATE BOARD OF ACCOUNTANCY

OPEN SESSION MINUTES

March 19, 2007

Members of the Arizona State Board of Accountancy held a meeting at 8:24 a.m. on Monday, March 19, 2007 at the Accountancy Board Office in Suite 165, 100 N. 15th Avenue, Phoenix, Arizona. An Executive Session was held from 8:49 a.m. to 9:29 a.m.

BOARD MEMBERS:

Earl R. Shivers, CPA	President
Marianne E. DeVries, CPA	Treasurer
✕ Patrick J. Ramirez.....	Secretary
Donald R. Bays, CPA	Member
Debbi Fitzgerald, CPA	Member
☉ Samuel L. Fogleman, CPA	Member
James E. May.....	Member

☉ Arrived at 8:29 a.m.

✕ Absent

OTHERS PRESENT:

Valerie M. Elliott	Executive Director
☉ Jim Dubé.....	Deputy Director
Dawn Walton Lee, Esq.	Assistant Attorney General
Ryan P. Edmonson.....	Programs & Projects Specialist II
Yolanda M. Barajas.....	Administrative Assistant III
Elena N. Frausto.....	Administrative Assistant III

☉ Left at 9:55 a.m.

GUESTS PARTICIPATING:

Mary Jo Foster, Esq....	Assistant Attorney General, Solicitor General's Office
Adela Jimenez, CPA.....	ASCPA, Director of Finance and Administration

The meeting was called to order at 8:24 a.m. by Earl R. Shivers, President. The following order of business was then considered:

OPEN SESSION

CALL TO THE PUBLIC

Adela Jimenez, CPA addressed the Board and offered an invitation to the Arizona Society of Certified Public Accountants' (ASCPA) Annual meeting. Ms. Jimenez informed the Board that at the ASCPA's annual meeting; they would be honoring Frank J. Brady, CPA, Kenneth W. Husband, CPA and Cindie Hubiak, CPA, as lifetime members of the ASCPA.

MINUTES

February 12, 2007 Board Meeting

A motion was made by James E. May, seconded by Marianne E. DeVries and passed to approve the Open Session Minutes from the February 12, 2007 Board meeting.

A motion was made by James E. May, seconded by Marianne E. DeVries and passed to approve the Executive Session Minutes from the February 12, 2007 Board meeting.

March 7, 2007 Special Board Meeting

A motion was made by Marianne E. DeVries, seconded by James E. May and passed to approve the Open Session Minutes from the March 7, 2007 Special Board meeting.

DECLARATION OF CONFLICTS OF INTEREST

Earl R. Shivers, CPA declared a conflict on Bridgeman, W. CPA LLC of the consent agenda.

Debbi Fitzgerald, CPA declared a conflict on John Marcus Taylor.

Samuel L. Fogleman, CPA declared a conflict on Ian Lewis of the consent agenda.

CONSENT AGENDA

(The Board may pull any of the following items off the consent agenda and take individual action) Board discussion and legal action on the following items:

Due to conflicts, Mr. Shivers requested that Bridgeman, W. CPA LLC be pulled from item 13-l and Mr. Fogleman requested that Ian Lewis from item 13-k of the consent agenda and voted on separately.

A motion was made by Donald R. Bays, and seconded by Marianne E. DeVries and passed to accept the following consent agenda:

- a. Recommended for Registration of Professional Corporation for the following Applicants - (Meets the requirements of A.R.S. § 32-734):
 - Olin Business Solutions PLLC Jessica A. Aldulaimi CPA PLLC
 - Partner: John M. Olin 9072-E Partner: Jessica A. Aldulaimi 12087-E

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Charles H. Hocker CPA PLLC
Partner: Charles H. Hocker 14411-R

Benhaim CPA Solutions PLLC
Partner: Daniel Benhaim 11718-E

Strategic Points Tax Solutions PLLC
Partner: Linda K. Dickerman 8909-E

Robinson Accountancy PLLC
Partner: Richard E. Robison 7409-R

Joel Johnson CPA LLC
Partner: Joel Johnson 12668-E

Cilliers CPA PLLC
Partners: Philip Cilliers 10763-E
Traci Cilliers 12946-R

- b. Recommended for Registration of Sole Practitioner for the following Applicants
(Meet the requirements of A.R.S. § 32-731):
A.C.T. Financial Services
Partner: Marion F. Child 14396-E
- c. Recommended for Firm Name Change:
Bridges & Dunbar CPA PLC
Bridges & Associates PLC 2490-L
Partners: Christopher C. Bridges 7763-E
Thomas L. Dunbar 2085-E
- d. Request for Firm Cancellation – Do not wish to renew:
Earl Geller Ltd 136-C Glasgow Professional Corporation 2167-C
Mize Houzer & Company PC 2492-C
- e. Recommended for Cancellation of Certificate per registrant's request not to renew:
Duane Chambers 13812-R Jennifer Williamson 11952-R
- f. Recommended for Reissuance of Certificate because of Name Change:
Stella M. Saindon (Shanovich) 14243-R
Margeaux Renee Orr (Bowers) 11915-E
Shannon Dawn Spencer (Spencer Mari) 13041-E
- g. Recommended for Reactivation of Certificate from Inactive Status - A.R.S.
§32-730(E):
Sandra M. Lock 6472-E Karla Ann Zimmerman 5844-R
- h. Recommendation of the Certification Committee for approval of Certification by
Examination - A.R.S. §32-721:
Austin T. Billingslea Derrick S. Bryce
Wing K. Cheng Leilani D. Haan
John P. Leatherwood Janelle L. McFeeters
Jay Ray Eric J. Runbergh
- i. Recommendation of the Certification Committee for approval of Certification by
Reciprocity - A.R.S. §32-724:
Joseph Philip Archer – California Gail K. Boswell – California
Frank Chai - Minnesota

- j. Recommendation of the Certification Committee for approval of Certification by Reciprocity based on Substantial Equivalency - A.R.S. § 32-726(B):

Matthew A. Barnes – Ohio	Kimberly M. Brody – California
Perry Colton – Utah	John M. Coons – Washington
Joseph Robert Herman – Missouri	Sheryl L. Hubbard – Michigan
Kimberly R. Fairchild – Oklahoma	Jon T. Lee – Montana
Linda J. Russell – Michigan	Ying Sa – Iowa
Diane Thompson – Oklahoma	Jeffrey B. Travis – Illinois
Gregory W. Voorhies – Oregon	

- k. Recommendation of the Certification Committee for approval of Examination Candidates for the Uniform CPA Exam - A.R.S. § 32-723:

Clayton Darl Andersen	Michael Scott Berlin	Matthew Steven Bisbee
Kristi Dawn Boviall	Carolyn Olivia Brasher	Marcia Marie Brusacoram
Courtney Lee Callahan	Josephine Bonrostro Charcos	Noel V. Charcos
Paul Chiti	Roxanne Leatrice DeLorme	Danica Djordjevich
Bile M. Hassan	Angela Mary Holt	Karina Maria Kasztelnik- Przybylowicz
Valentina Nikolayevna Kelly	Taylor Bryan Leonard	
Timothy Cullen Lynch	Gina Rochelle McGill	Mikael Peter Nilsson
Nana Yaa A. Nuamah	Andrew Thomas Omer	Marilyn Elizabet Overpeck
Tracy Lynn Pytlakowski	Chantal L. Regan	Tatiana I. Ritchie
John Matthew Schmitt	Brandon Lee Seiter	Shinobu Suzuki
Guadalupe Valencia	Janeé Marie Van Egmond	Alana Kirsten Vick
Kenneth Chung Yan Wu		

- l. Recommendation of the Peer Review Oversight Advisory Committee for approval of the following firms in compliance with A.A.C. R4-1-454:

Accounting World CPAs PLC 2159-L	Jones, John Cpa LLC 2794-L
Boles Group PC 748-C	Lauzon, Robert M. CPA PC 2332-C
Butler & Jones PC CPA's 2017-C	Lowy's Tax Planning PLLC 2498-L
Buttke & Wanzek PC 751-C	Magnan, MF CPA PLLC 2614-L
Calvert, Dale R. PLLC 2160-L	Metzger Klawon & Fox PLC 1004-L
Corallo, Jeffrey A. CPA PC 591-C	Mezzatesta, Antonio J. CPA 4563-S
Dangelser, Steven R. CPA PC 2024-C	Osinski, Edward M. PC 2027-C

Dickey & Lebbs PC 2166-C	Pace & Company PC 2623-C
Dodd & Jones CPA's PLLC 1003-L	Pearce, Gray & Co PLC 2352-C
Evers Robsinson LTD 843-C	Redw LLC 2633-L
Fann, Paul M. CPA PC 2100-C	Seby & Assoc. LTD 329-C
Fisher, Michael W .CPA PC 735-C	Severs, Paul G. PC 494-C
Frizzell, Senkerik & CO PC 309-C	Wallace Plese & Dreher LLP 2009-B
Hachey, Michael D. 4117-S	Watkins & Bustamante PLLC 2466-L
Hansen, George PC 158-C	Western, Janet E., CPA 4643-S
Jacobo Licht & Hirte PLC 2162-L	Woodard, Mark D. 5286-S

CONSENT AGENDA

A motion was made by Donald R. Bays, seconded by Marianne E. DeVries and passed to approve the following consent agenda item:

- 13-k. Recommendation of the Certification Committee for approval of Examination Candidates for the Uniform CPA Exam - A.R.S. § 32-723:
Ian Lewis

Samuel L. Fogleman CPA declared a conflict and did not vote.

A motion was made by Donald R. Bays, seconded by Marianne E. DeVries and passed to approve the following consent agenda item:

- 13-l. Recommendation of the Peer Review Oversight Advisory Committee for approval of the following firms in compliance with A.A.C. R4-1-454:
Bridgeman, W. CPA LLC 2525-L

Earl R. Shivers, CPA declared a conflict and did not vote.

ITEMS FOR BOARD REVIEW, DISCUSSION AND LEGAL ACTION

Request for a CPE Waiver and/or Fee Waiver – A.R.S. § 32-730(C) & (D)

Joel M. Zolondek 1589-E

Richard Allen Zelenka 1264-E

A motion was made by Samuel L. Fogleman, seconded by James E. May and passed to grant the requests for CPE and Fee Waivers.

Review of CPE Compliance – ARS 32-730(C) & (D)

Darlene Marie Watkin 6551-E

A motion was made by James E. May, seconded by Samuel L. Fogleman and passed to grant her request for a CPE waiver.

Application for Certification by Reciprocity, Deferral by Certification Committee - A.R.S. § 32-726(E) & (F)

John Marcus Taylor

A motion was made by Marianne E. DeVries, seconded by Samuel L. Fogleman and passed to accept his application for certification by reciprocity.

Debbi Fitzgerald, CPA declared a conflict and did not vote.

Firm Compliance – A.A.C. R4-1-455.03(D)(2) & (F)

R. Steven Rhue & Company, A P.C. 299-C

A motion was made by Marianne E. DeVries, seconded by James E. May and passed to accept the response and take no further action.

Application for Reinstatement – A.R.S. § 32-748:

Cynthia M. Acord 10486-E

A motion was made by James E. May, seconded by Samuel L. Fogleman and passed to accept her application for reinstatement.

Rescind Board Approval of Peer Review – A.A.C. R4-1-454

John E. Griffin CPA 5138-S

M.C. Patten CPA PC 760-C

Dawn Walton Lee, Assistant Attorney General and Jim Dubé, Deputy Director, gave the Board an update on the files.

A motion was made by Donald R. Bays, seconded by Marianne E. DeVries and passed to reopen the files, rescind the Board's motion approving the firms as being compliant with A.A.C. R4-1-454 and remand the files back to the Peer Review Oversight Advisory Committee.

Mobility Task Force

Valerie M. Elliott, Executive Director gave an update to the Board regarding the newly created mobility task force and the request from R. Gregory Blake, CPA to be nominated as a member of the mobility task force.

A motion was made by Samuel L. Fogleman, seconded by Marianne E. DeVries and passed to add R. Gregory Blake as a member of the Mobility Task Force Committee.

A motion was made by Marianne E. DeVries, seconded by James E. May and passed to go into Executive Session at 8:49 a.m. to seek legal advice and review confidential material pursuant to A.R.S. § 38-431.03(A)(2)(3) and (4).

After consideration in Executive Session, the Board reconvened in Open Session at 9:29 a.m.

COMMITTEE RECOMMENDATIONS – COMPLAINT/INITIAL ANALYSIS FILES

File No. 2007.014

A motion was made by Donald R. Bays, seconded by Marianne E. DeVries and passed to accept the Tax Practice Committee's recommendation to open an investigation file.

File No. 2007.078

A motion was made by Donald R. Bays, seconded by Marianne E. DeVries and passed to accept the Tax Practice Committee's recommendation to open an initial analysis file on the successor CPA named in the investigator's report.

File No. 2007.086

A motion was made by Donald R. Bays, seconded by Marianne E. DeVries and passed to accept the Tax Practice Committee's recommendation to close the file.

INITIAL ANALYSIS

A motion was made by Donald R. Bays, seconded by Marianne E. DeVries and passed to issue an Administrative Letter of Concern regarding the registrant's lack of proper completion of the Board's application for certification by reciprocity by failing to disclose a criminal conviction in the State of California.

RESPONSE TO OFFERED DECISION ORDER BY CONSENT

File No. 2007.013

A motion was made by Donald R. Bays, seconded by Marianne E. DeVries and passed to direct the Assistant Attorney General to file a Complaint and Notice of Hearing.

MINUTES

March 7, 2007 Special Board Meeting

A motion was made by Donald R. Bays, seconded by Marianne E. DeVries and passed to approve the Executive Session Minutes from the March 7, 2007 Special Board meeting, as amended in Executive Session.

ITEMS FOR BOARD REVIEW, DISCUSSION AND LEGAL ACTION

Request for Board to Provide Guidance to Proceed to Formal Hearing or Rescind referral to Formal Hearing and Consider Retaining Investigation Documents in the Registrant's Renewal File and Close the File

File No. 2006.064; Rosenthal, Richard

Mary Jo Foster, Assistant Attorney General, from the Solicitor General's Office was present to provide legal advice to the Board. Dawn Walton Lee, Assistant Attorney General was present and addressed the Board on whether to proceed to a hearing and expend Board resources or monitor the file for future investigation since the registrant's certificate with the Arizona State Board of Accountancy is currently expired.

A motion was made by Donald R. Bays, seconded by Marianne E. DeVries and passed to rescind the Complaint and Notice of Hearing, retain the investigation documents in the registrant's renewal file and close the file. The motion included that, if the registrant seeks reinstatement, the Board will review the registrant's failure to respond and

cooperate with the Board's investigation regarding the original matter that came before the Board.

Samuel L. Fogleman CPA declared a conflict and did not vote.

Settlement Offer

File No. 2007.028; Arnold, Chris J.

Dawn Walton Lee, Assistant Attorney General gave an update to the Board.

No action taken.

File No. 2006.062; Kistler, Thomas W.

The Board directed the Assistant Attorney General to proceed to file a Complaint and Notice of Hearing.

Review Status of Compliance with the Decision and Order (By Consent)

File No. 2006.007; McNeal, Syreeta

A motion was made by Samuel L. Fogleman, seconded by James E. May and passed to amend the current Order to extend the period of time to comply with the CPE requirements for an additional 60 days, and if not accepted within 15 days, to direct the Assistant Attorney General to file a Complaint and Notice of Hearing for revocation of her CPA certificate. The motion included directing staff to send a cover letter clearly defining the Board's terms.

Termination of Decision & Order (By Consent)

File No. 2005.086; Browning, Mark C.

File No. 2006.085; Coleman, Seymour E.

File No. 2007.039; Pearce, Gray & Co., PLC

File No. 2007.042; Western, Janet T.

File No. 2007.048; Hachey, Michael D.

A motion was made by Marianne E. DeVries, seconded by James E. May and passed to terminate the Consent Orders and close the files.

Issues from and regarding the National Association of State Boards of Accountancy (NASBA)

Valerie M. Elliott, Executive Director, reviewed and discussed the following NASBA issues with the Board.

NASBA Cover Letter from Ted Long and Focus Questions

NASBA CBT Fee Increases

NASBA 2006 Candidate Care Report

AICPA

Uniform CPA Examination Practice Analysis

Valerie M. Elliott, Executive Director, gave an update to the Board.

EXECUTIVE DIRECTOR'S REPORT

Valerie M. Elliott, Executive Director, gave an update to the Board on the budget, performance measurements and agency operations. Ms. Elliott also gave an update on the Executive Directors' Annual Conference in Las Vegas, NV.

ADJOURNMENT

A motion was made by Marianne E. DeVries, seconded by Samuel L. Fogleman and passed to adjourn at 10:50 a.m.

Earl R. Shivers, CPA, President

Marianne E. DeVries, CPA, Treasurer

Donald R. Bays, CPA, Member

Debbi Fitzgerald, CPA, Member

Samuel L. Fogleman, CPA, Member

James E. May, Member